## COMMONWEALTH OF KENTUCKY

# BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF AT&T COMMUNICATIONS )
OF THE SOUTH CENTRAL STATES, INC. ) CASE NO.
TO INTRODUCE DISTRIBUTED NETWORK ) 91-186
SERVICE

# ORDER

This matter arising upon petition of AT&T Communications of the South Central States, Inc. ("AT&T") filed May 13, 1991 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the revenue, unit volume, and cost per minute data contained in its Estimated Revenue Impact for Distributed Network Service ("DNS") on the grounds that disclosure of the information is likely to cause AT&T competitive injury, and it appearing to this Commission as follows:

In this proceeding, AT&T is seeking to introduce an outbound long-distance service referred to as DNS. As part of its application, AT&T has filed a document referred to as Estimated Revenue Impact for DNS which consists of estimates of AT&T's revenue, unit volume, and cost per minute data from the service. AT&T seeks to protect this information as confidential.

The information sought to be protected is not known outside of AT&T and is known only to those AT&T employees who have a legitimate business need to know and act upon the information. The information was developed by AT&T at its own expense and AT&T

seeks to preserve the confidentiality of this information through all appropriate means.

5:001. Section 7, protects information as 807 KAR confidential when it is established that disclosure is likely to cause substantial competitive harm to the party from whom the information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

Tata provides intraLATA and intrastate long-distance in competition with other providers of telephone service telecommunications services. AT&T's competitors could use the information sought to be protected to learn valuable pricing, cost, and market information not otherwise available regarding AT&T's DNS, which those competitors could use in the pricing and marketing of competing services to the detriment of AT&T. Therefore, disclosure of the information is likely to cause AT&T competitive injury, and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that AT&T's revenues, unit volume, and cost per minute data contained in its Estimated Revenue Impact, which AT&T has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 17th day of June, 1991.

PUBLIC SERVICE COMMISSION

Chairman

VICE Chalrman

Commissioner

ATTEST:

Executive Director

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On May 13, 1991, AT&T Communications of the South Central States, Inc. ("AT&T") filed a tariff with the Public Service Commission ("Commission") seeking permission to introduce Distributed Network Service ("DNS"). AT&T proposed to make the tariff effective June 16, 1991.

DNS is an outgoing long-distance service which aggregates the outbound calling from all of a customer's designated locations and allows the customer to receive a single bill. The customer can then allocate those charges to specific locations. DNS is designed to meet the needs of large business organizations and resellers who wish to take advantage of a new volume discount service and to bill specific business locations or individuals for their telecommunications usage. This service is generically

similar to other service offerings that have been approved by the Commission that are capable of generating intraLATA traffic. 1

Other related service offerings that are capable of generating "unauthorized" intraLATA traffic have also been approved. 2

The Commission, having considered the tariff and being sufficiently advised, HEREBY ORDERS that:

1. AT&T's proposed tariff shall be made effective pursuant to the provisions of 807 KAR 5:011, Section 9(1), subject to any compensation arrangement that may be ordered in Administrative Case No. 323.<sup>3</sup>

AT&T Megacom 800 Service was approved in Case No. 9874, AT&T Tariff Filing Proposing Megacom/Megacom 800 Service; AT&T Readyline 800 Service was approved in Case No. 10106, AT&T Tariff Filing Proposing AT&T Readyline 800 Service; and MCI 800 Service was approved in Case No. 10049, MCI's Tariff Filing to Introduce Metered Use Option H.

These include AT&T's Software Defined Network Service, approved in Case No. 9518, AT&T Communications' Tariff Proposal for Software Defined Network Service; AT&T Megacom Service, approved in Case No. 9874; MCI's Prism I and Prism II Service, approved in Case No. 9828, MCI's Tariff Filing to Establish Prism Plus, Prism I, and Prism II Services, MCI Prism III Service, which became effective pursuant to 807 KAR 5:011, Section 9(1); US Sprint UltraWATS and Advanced WATS Services, approved in Case No. 9902, US Sprint's Tariff Filing Proposing to Rename its WATS Products, Change Billing Calculation Methods for WATS, Introduce UltraWATS, Travelcard, Direct 800 and Ultra 800, and US Sprint Banded WATS Service, which became effective pursuant to 807 KAR 5:011, Section 9(10).

Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality.

- 2. AT&T shall measure and report interstate and intrastate jurisdictional usage and interLATA and intraLATA usage associated with DNS and file usage reports with the Commission on a quarterly basis.
- 3. AT&T shall inform DNS customers that the Commission has not authorized it to market or tariff this service to complete intraLATA calls.
- 4. The requirements set forth herein shall apply to all of AT&T's existing services capable of completing intraLATA calls.

Done at Frankfort, Kentucky, this 17th day of June, 1991.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

LU W MacCrachen Executive Director